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UNCLAS ABUJA 003311

SIPDIS

SENSITIVE

FOR INL AND AF

TREASURY FOR OFFICE OF ENFORCEMENT -- SHAUN LONERGAN

E.O. 12958: N/A

TAGS: [EFIN](#) [SNAR](#) [KCRM](#) [NI](#)

SUBJECT: NIGERIA: FATF UPDATE -- NEW HOPE

REF: A. ABUJA 3185

[B](#). 3138

[C](#). AND PREVIOUS

1.(SBU) RNLEO December 12 contacted Senator Abdullahi Abubakar, Chairman of the Senate Committee on Drugs and Financial Crimes, for an update on the legislation being considered by the National Assembly in response to FATF concerns. Abubakar reported that he had chaired a "harmonization" committee meeting consisting of two other key Senators and three members of the House of Representatives on the night of December 10. The harmonization committee met immediately following a House meeting on the draft anti-money laundering legislation. According to Abubakar, the harmonization committee members had been sensitized to the concerns of the FATF with regards to the changes made by the Senate to the draft Amendment to the Money Laundering Act of 1995. The earlier Senate changes had raised the reporting thresholds for customer identification and cash transactions to levels deemed unacceptable by the FATF.

2.(SBU) Abubakar claims that the harmonization committee approved the original language and reporting thresholds (USD 5,000 or equivalent for customer identification and naira one million/five million for reporting of individual/corporate cash transactions) proposed by President Obasanjo in the draft bills submitted in October. According to Abubakar, the full Senate is being recalled from recess for an emergency session on Saturday, December 14 to vote on the revised Senate legislation. He expects the Senate to approve the revised legislation and pass it to the President for signature later in the day.

3.(SBU) Announcements in local papers December 13 confirm Abubakar's statement of an extraordinary Senate session on December 14. One such announcement in daily newspaper "This Day" reads: "The Senate will reconvene tomorrow for a special session to discuss various issues of national importance. According to a statement signed by the Clerk of the Senate yesterday, Senators are expected to assemble for the special session at 10 a.m. The Senate which began its end of year recess is expected to reconvene end of January."

4.(SBU) Comment: We will monitor the progress of the Senate special session and seek to obtain copies of the final legislation as soon as it is produced. These will be faxed immediately to INL, AF and Treasury for analysis. The Executive and Legislative branches are working together closely (a rarity) to meet Nigeria's international obligations. Wednesday's and tomorrow's emergency, recess-breaking sessions of the House and Senate are a remarkable sign of the seriousness with which the Government is taking the threat of FATF sanctions.

5.(SBU) With a yard from the goal line, we would hope that U.S. Treasury would refrain from making a public announcement on potential Patriot Act Section 311 special measures (accompanying the designation of Nigeria as a jurisdiction of "primary money laundering concern") until it has had time to analyze the legislation that may be enacted over the weekend or early next week.

JETER